

Message Text

LIMITED OFFICIAL USE

PAGE 01 BUCAR 04167 251016Z

50

ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 EB-07 /020 W

----- 060487

R 250905Z AUG 75

FM AMEMBASSY BUCHAREST

TO SECSTATE WASHDC 4267

LIMITED OFFICIAL USE BUCHAREST 4167

E.O. 11652: N/A

TAGS: EEWT, RO

SUBJ: JOINT COMMISSION: PROPOSED AGENDA FOR ROMANIAN
VISIT TO FOLLOW-UP MORTON/OPREA MEETING

REF: STATE 189810

1. ALTHOUGH WE DID NOT RECEIVE PROPOSED AGENDA (POUCHED
AUG 1) IN TIME TO COMMENT FOR AUGUST 14 MEETING, WE FIND
IT VERY INCOMPLETE. OUR ONLY GENERAL COMMENT IS THAT IT APPEARS
SO BE MORE SPECIFIC IN LISTING S. OBSTACLES TO TRADE
(ESPECIALLY IIA3) THAN ROMANIAN. WE WOULD SUGGEST INTRODUCING,
UNDER IIB3, PERFORMANCE GUARANTEES FOR CAPITAL EQUIPMENT,
FINAL PAYMENT DELAYS FOR
MACHINERY, AND TRADE DISPUTES
INVOLVING DELAYS IN OPENING LETTERS OF CREDIT. ALTHOUGH
AT ANY ONE TIME THERE ARE ONLY LIMITED NUMBER OF SUCH
CASES INVOLVING U.S. FIRMS, THESE PROBLEMS ARE WIDELY
EXPERIENCED BY OUR COMPETITORS AND HAVE HELPED GENERATE A
POOR REPUTATION FOR ROMANIAN BUSINESS. BUY-BACK MARKETING
REQUIREMENTS IMPOSED ON U.S. FIRMS AND LONG NEGOTIATING DELAYS
COULD BE LISTED UNDER BOTH IIB3 AND IIC6.

2. WE WERE PLEASED TO SEE BUSINESS FACILITATION LISTED
UNDER IIB3, ALTHOUGH WE WOULD OURSELVES HAVE GIVEN THE
SUBJECT MORE PROMINENCE ON THE AGENDA. THE TRADE AGREEMENT
GIVES US A FEW PEGS ON WHICH TO HANG BUSINESS FACILITATION
PROBLEMS, BUT MOST OF THE PROBLEMS REMAIN, AND WE
BELIEVE IT WOULD BE HELPFUL TO BRING THEM UP IN THE EXPERTS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BUCAR 04167 251016Z

MEETING AND IN JOINT COMMISSION ITSELF. SOME EXAMPLES:

R

A. HOUSING STILL ENTAILS A BATTLE FOR MANY MONTHS FOR EVERY NEW RESIDENT BUSINESSMAN, AND OFFICE SPACE IS STILL PRACTICALLY NON-EXISTENT. WE THINK IT USEFUL TO ASK WHAT GENERAL PLANS HAVE BEEN MADE FOR THOSE WHO WOULD COME WITH COOPERATION PROJECTS, MAJOR IMPORTS, OR AS RESIDENT REPRESENTATIVESJU

B. LOCALLY HIRED ROMANIAN REPRESENTATIVES OF U.S. FIRMS CANNOT TRAVEL FREELY ON BUSINESS. WE CURRENTLY HAVE TWO SUCH CASES, ONE OF WHICH IS INHIBITING THE SALE OF ROMANIAN EXPORTS WHICH THE U.S. FIRM IS REQUIRED TO TAKE UNDER BUY-BACK COMMITMENTS.

C. THE APPLICATION OF FEES AND EXCHANGE RATES STILL APPEARS CAPRICIOUS. CHARGES TO ROM CONTROL DATA FOR DOLLAR FEES WERE RECENTLY MADE IN LEI CONVERTED AT OVER TWICE THE OFFICIAL RATE. MANUFACTURERS HANOVER HAS A UNIQUE LOW RATE OF EXCHANGE FOR PAYING EMPLOYEES. GOR SHOULD PUBLISH SOME DOCUMENT ESTABLISHING EXCHANGE RATES FOR ALL OFFICIAL TRANSACTIONS SO FOREIGN BUSINESSMEN CAN FORESEE THEIR COSTS, SINCE THE UNEXPECTED APPLICATION OF A NEW RATE IN A NEW TRANSACTION ALWAYS SEEMS TO WORK TO THE DISADVANTAGE OF U.S. FIRMS. WE COULD THEN ASCERTAIN TO WHAT EXTENT THE PROVISIONS OF ARTICLE VI OF THE BIPARTITE TRADE AGREEMENT APPLY. BARNE S

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, TRADE AGREEMENTS, LETTERS OF CREDIT, BUSINESS FIRMS
Control Number: n/a
Copy: SINGLE
Draft Date: 25 AUG 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BUCHAR04167
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750293-0590
From: BUCHAREST
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750819/aaaaaqhr.tel
Line Count: 90
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION COME
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 189810
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 11 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 JUN 2003 by MartinML>; APPROVED <21 OCT 2003 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JOINT COMMISSION: PROPOSED AGENDA FOR ROMANIAN VISIT TO FOLLOW-UP MORTON/OPREA MEETING
TAGS: EEWT, RO, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006